Editorial

The Risk Landscape in the Digital Transformation of Finance and Insurance

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"The Risk Landscape in the Digital Transformation of Finance and Insurance" is a Special Issue that explores the opportunities and challenges arising from the integration of emerging technologies in the finance and insurance sectors. Digital transformation, driven by advancements in artificial intelligence, blockchains, cloud computing, big data, and the Internet of Things, has significantly reshaped the financial services landscape, affecting various aspects, including market players, service delivery models, and environmental considerations.

This collection of papers (Bhatnagar et al. 2022; Gaviyau and Sibindi 2023; Jain et al. 2023; Marano and Li 2023; Pantos 2023; Rupeika-Apoga and Wendt 2022; Varma et al. 2022; Zampeta and Chondrokoukis 2022) offers valuable insights and analyses on different dimensions of risk within the digital transformation process. One paper (Pantos 2023) focuses on enhancing supervision and risk management practices by designing stress tests specifically tailored for fast-growing firms and fintech companies in the UK. Another paper (Marano and Li 2023) examines the regulations surrounding robo-advisors in insurance distribution, evaluating their effectiveness in ensuring ethical and responsible use of these technologies.

Furthermore, Bhatnagar et al. (2022) investigate the dynamic relationship between risk and return in India's fintech market, analyzing price volatility and its implications for stock investors. Rupeika-Apoga and Wendt (2022) shed light on the regulatory challenges faced by fintech companies in Latvia, calling for regulatory reform and increased support to foster the growth of the fintech sector.

In addition, a systematic review (Jain et al. 2023) of the literature provides an overview of the risk landscape in fintech, analyzing publication trends, journal productivity, and the emergence of risk categories in the digital ecosystem of the fintech sector. This review underscores the need for a comprehensive legislative framework to address the current challenges.

Varma et al. (2022) highlight the transformative potential of Fintech in reshaping the banking sector while emphasizing the need for careful consideration of associated risks and the implementation of effective risk management strategies.

Lastly, a bibliometric analysis (Gaviyau and Sibindi 2023) focuses on customer due diligence in the fintech era, exploring the existing literature in this domain and emphasizing the importance of effective due diligence practices within the context of fintech.

Overall, this Special Issue significantly enhances our understanding of the risks associated with the digital transformation of finance and insurance. The papers contribute valuable insights into effective risk management strategies within the evolving financial landscape, providing valuable guidance to practitioners, policymakers, and researchers.

We extend our sincere gratitude to the dedicated staff and reviewers who have contributed their expertise and efforts to the editing and selection process of this Special Issue.

Their commitment has been instrumental in ensuring the quality and relevance of the papers included in this collection.

The task of editing and curating this Special Issue has been both intellectually stimulating and rewarding. We appreciate the opportunity to delve into the dynamic landscape of the digital transformation of finance and insurance, exploring the risks and opportunities that emerge from the integration of emerging technologies.

We also wish to express our appreciation to the authors who submitted their research for consideration. Their contributions have enriched the breadth and depth of this Special Issue, offering valuable insights and analyses on various dimensions of risk within the digital transformation process.

Lastly, we acknowledge the support and collaboration of the broader academic and professional community. Their engagement and interest in this topic have fostered an environment of knowledge sharing and innovation.

Collectively, we hope that this Special Issue serves as a valuable resource for researchers, practitioners, and policymakers, facilitating a better understanding of the risks and effective risk management strategies in the ever-evolving landscape of finance and insurance.

Conflicts of Interest: The authors declare no conflict of interest.

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